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L. Allen Dobson, Jr. MD, Assistant Secretary for Health Policy and Medical Assistance

April 12, 2007

MEMORANDUM

TO: Legislative Oversight Committee
Local CFAC Chairs
NC Council of Community Programs
County Managers
State Facility Directors
LME Board Chairs
Advocacy Organizations
MH/DD/SAS Professional and Stakeholder Organizations
NC Association of County DSS Directors

Commission for MH/DD/SAS
State CFAC
NC Assoc. of County Commissioners
County Board Chairs
LME Directors
DHHS Division Directors
Provider Organizations

FROM: Allen Dobson, MD *LAD mb*
Mike Moseley *mm lw*

SUBJECT: Implementation Update 26: End of the Transition Period for Provider Endorsement and Revised Documents for the Endorsement of Community Support Providers

The policies and procedures under which the Divisions of MH/DD/SAS and Medical Assistance have been operating during the first year of implementation of the provider endorsement process have included a transition phase-in. That process, as outlined in Communication Bulletin #47, required initial endorsements to be conditional for up to 18 months from the date of enrollment in Medicaid. We are now announcing that as of April 1, 2007, the transition phase-in process of endorsement has ended. LMEs should no longer issue conditional endorsement for an 18 month period. Instead, the full endorsement policy outlined in Communication Bulletin #44 should be followed.

All providers in transition phase-in periods I and II who were conditionally endorsed for 18 months beginning March 20, 2006 will have their conditional endorsement end dated as of September 30, 2007. Therefore, it is critical to begin the full endorsement process as quickly as possible to ensure there is not a break in the providers' enrollment in the Medicaid program. We realize that phases I and II include a large number of services and providers. We will be issuing guidance soon to assist LMEs in organizing the workload. In the meantime, however, the greatest number of providers enrolled in phases I and II are Community Support providers. LMEs and providers of Community Support should begin the full endorsement process for that service without delay.

In continuing to develop effective endorsement tools, we are providing additional clarification regarding the endorsement requirements for Community Support. Attached to this correspondence are 5 documents, including the endorsement review check sheets for Community Support Child and Adult, which have not changed. Also attached are revised instruction documents for how the check sheets should be applied which

clarify activities and specify the supporting documentation that is required. Finally, attached is a new document entitled Guidance on Implementing Core Rules that is being provided to assist LME's and providers in better understanding the complexities of the expectation of Core Rules within the endorsement process. Additional check sheets and instructions for each of the other services will be forthcoming.

Questions regarding the endorsement check sheets and instructions, the endorsement policy or this communication should be directed to Dick.Oliver@ncmail.net.

cc: Secretary Carmen Hooker Odom
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